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TO RUEHC/SECSTATE WASHDC IMMEDIATE 5721
INFO RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0086
RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 0034

S E C R E T BERN 000118

SIPDIS

DEPT FOR ISN/MTR (J.P.HERRMANN), EUR/PRA, AND EUR/CE
(Y.SAINST-ANDRE)

E.O. 12958: DECL: 03/17/2033

TAGS: PARM MTCRE MNUC ETTC SZ IR AE

SUBJECT: SWISS FIRM QUARTZCOM SAYS IT WILL ABANDON
IRAN-RELATED ACTIVITIES

REF: A. BERN 59

1B. 08 STATE 132055

Classified By: Acting DCM Richard A. Rorvig; reasons 1.4(b), (c), and (d).

11. (S) Juergen Boehler, Head of the Export Control Licensing Division of the Swiss State Secretariat for Economic Affairs (SECO) contacted poloff March 17 to provide an update on the case of Swiss firm Quartzcom AG (reftels). Boehler told poloff that he had met March 16 with Quartzcom's management. In the course of that meeting, Quartzcom's management told Boehler that Quartzcom would abandon all of its Iran-related activities. Boehler elaborated that this undertaking would include foregoing any Quartzcom exports to Iran via intermediaries in third countries. Terming this decision by Quartzcom as "voluntary self-restricting", Boehler conveyed to poloff that SECO had made clear to Quartzcom the risks it runs by exporting to Iran items that, while not controlled under current export control regimes, give rise to concern in certain circumstances.

12. (S) Boehler mentioned that Quartzcom has some business interests in the United States, and emphasized that the firm would continue to remain under close scrutiny and surveillance by Swiss authorities. Expressing appreciation for USG cooperation, Boehler said informally that he thought it would be useful for the USG to press authorities in third countries, such as the UAE and Malaysia, to do more to address trans-shipment export issues of proliferation concern.

CARTER